

EXHIBIT 1

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 08-01789-smb

4 Adv. Case No. 10-04357-smb

5 - - - - - x

6 In the Matter of:

7 BERNARD L. MADOFF INVESTMENT SECURITIES, LLC,

8 Debtor.

9 - - - - - x

10 IRVING H. PICARD, TRUSTEE FOR THE LIQUIDATION OF BERNARD L.

11 MADOFF INVESTMENT SECURITIES, LLC AND BERNARD L. MADOFF,

12 Plaintiff,

13 v.

14 GREIFF,

15 Defendant.

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1 United States Bankruptcy Court
2 One Bowling Green
3 New York, NY 10004
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5 February 20, 2020
6 10:00 AM
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21 B E F O R E :

22 HON STUART M. BERNSTEIN

23 U.S. BANKRUPTCY JUDGE
24

25 ECRO: KAREN

1 HEARING re Pre-Trial Conference

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25 Transcribed by: Sonya Ledanski Hyde

1 A P P E A R A N C E S :

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3 BAKER HOSTETLER, LLP

4 Attorneys for the Trustee

5 811 Main Street, Suite 1100

6 Houston, TX 77002

7

8 BY: DEAN D. HUNT

9

10 DENTONS US LLP

11 Attorneys for the Plaintiff

12 1221 Avenue of the Americas

13 New York, NY 10020

14

15 BY: ARTHUR H. RUEGGER

16

17 ALSO PRESENT TELEPHONICALLY:

18

19 DAVID J. SHEEHAN

20 NICHOLAS J. CREMONA

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1 P R O C E E D I N G S

2 THE COURT: Please be seated. Picard v. Griefff.

3 MR. HUNT: Good morning, Your Honor. Dean Hunt,
4 for the Trustee. As requested, we conferred with our
5 witnesses who are available for trial on April 7th and 8th,
6 or May 4th through 8th. We expect the trial could take
7 anywhere from one to, at most, three days. This is a 1997
8 account. It was opened in 1997. So, the Ponzi can be
9 established through the allocutions of Mr. DiPasquale and
10 Mr. Madoff.

11 Also, it's undisputed that the Defendant received
12 the two-year transfers. Those are established by checks
13 from the Chase account into the recovery account --

14 THE COURT: Is there a dispute regarding any of
15 the deposits or withdrawals into the account?

16 MR. HUNT: I don't believe there is.

17 MR. RUEGGER: Your Honor, there is a dispute, but
18 if I might raise a more threshold issue? As we advised the
19 Trustee's counsel earlier this week, the Defendant intends
20 to move to withdraw the reference.

21 THE COURT: I'm not going to hold up the trial for
22 that. You're going to have to make that motion and then
23 seek a stay of the trial. This seems to be a tactic. That
24 may be a strong word, but it seems to be a tactic that's
25 starting to come up in these cases on the eve of trial. The

1 Defendant makes a motion to withdraw the reference, and it's
2 just holding up disposition of the case. And my
3 recollection of the law is that the motion doesn't delay the
4 proceedings.

5 MR. RUEGGER: Your Honor, on the issue of whether
6 this is a tactic, we were in mediation until two weeks ago,
7 Your Honor. And there was no preparation for trial until
8 Your Honor mentioned he wanted to take it to trial last
9 week.

10 THE COURT: This case has been pending for 10
11 years.

12 MR. RUEGGER: That's correct, Your Honor.

13 THE COURT: All right. Well, okay, you said what
14 you said. And if I have to stay the trial because you've
15 made the motion and it's pending, I'll stay the trial. But
16 otherwise, I don't know if there's a question about
17 jurisdiction or whether you claim you're losing your right
18 to a jury. And we have dealt with all these issues, and I'm
19 not going to deal with them any differently. So, you know,
20 make your motion before the District Court, and then make
21 the motion. You can hear it before the District Court to
22 stay the trial, but I'll fix the trial date.

23 Now, getting back to my question, is there a
24 dispute regarding the deposits and withdrawals?

25 MR. RUEGGER: Yes, Your Honor.

1 THE COURT: What's the dispute?

2 MR. RUEGGER: There's a dispute as to the amount
3 of the withdrawals prior to the two-year period. There's
4 also a dispute as to whether the transfers in the two-year
5 period were property of the Debtor.

6 THE COURT: I understand that argument. I dealt
7 with that one. Maybe I can't decide it on a motion for
8 summary judgment, but we'll have a trial. So I guess we're
9 going to go through the trial. Can you stipulate to any
10 facts to expedite this?

11 MR. RUEGGER: I expect there will be facts we can
12 stipulate to, Judge.

13 THE COURT: All right. I've already held that,
14 you know, if you want to show value based on deposits or
15 withdrawals, it's going to be your burden. The two-year
16 transfers are clearly made during the Ponzi scheme. And as
17 far as I'm concerned, based on the Ponzi scheme presumption,
18 the Trustee is going to prevail on his direct case. If you
19 want to prove value, you can go prove value.

20 Which means we have the same three experts?

21 MR. DEAN: Yes, Your Honor.

22 THE COURT: All right. Trial will start on April
23 7th at 10:00. Between now and then, I probably will have a
24 morning calendar, so it'll start after that morning
25 calendar, however long that takes.

1 All right. Thank you very much. Premark your
2 exhibits. Plaintiff, use numbers; Defendants, use letters.
3 Exchange exhibit lists. What else? I know you're going to
4 have a lot of exhibits.

5 MR. DEAN: Yes.

6 THE COURT: And I think the procedure we use the
7 last time is the one that works most sensibly.

8 MR. DEAN: I agree.

9 THE COURT: And that you can raise your objections
10 to the trial exhibits -- you can certainly do it during the
11 trial, but you can also do it after the trial. I did that
12 in the Nelson case, and it was just a lot easier and the
13 case moved a lot quicker. And I upheld some objections and
14 denied most objections, based on that business records
15 argument or hearsay argument, or something like that. You
16 can obviously raise those to preserve the record.

17 Okay? See you April 7th.

18 MR. DEAN: Thank you, Your Honor. See you on the
19 7th.

20 MR. RUEGGER: Thank you, Your Honor.

21 THE COURT: Okay. Thank you.

22 (Whereupon these proceedings were concluded at
23 10:05 AM)

24

25

C E R T I F I C A T I O N

I, Sonya Ledanski Hyde, certified that the foregoing
transcript is a true and accurate record of the proceedings.

Sonya Ledanski Hyde

Veritext Legal Solutions

330 Old Country Road

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Mineola, NY 11501

Date: February 21, 2020

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